



LEGAL

DIRECTORS REPORT

No. 85

November 12, 1993

TO: PRINCIPAL-TYPE MEMBERS
Chief Executive Officer
Senior Visa Officer
Center Manager
Senior Travelers Cheque Officer
Travelers Cheque Program Director

ASSOCIATE-TYPE MEMBERS
Center Manager

GOVERNMENT
DEPOSITION
EXHIBIT
1055

SUBJECT: Board of Directors Meeting of October 7-8, 1993

The following are the significant actions taken or matters considered at the recent meeting of the Board of Directors of Visa U.S.A. held on October 7-8, 1993.

ANNUAL MEETING

Designation Of Directors

The Directors of Visa U.S.A. Inc., elected and appointed to serve until the next annual meeting, are set forth on an attachment to this report.

PAYMENTSERVICE 2000

The Board reviewed the recent implementation of the Retail Electronic Payment Service component of PaymentService 2000. It is expected that Visa Members will realize first year financial benefits alone of more than \$250 million. The Board also reviewed a plan to introduce PaymentService 2000 to additional merchant segments, and approved operating principles for a custom payment service definition for automated gasoline dispensers.

INTERNATIONAL INTERCHANGE REIMBURSEMENT FEES

The Board approved a plan to allow international airline transactions to be allowed to qualify for the prevailing international electronic rate even after April 1, 1994 when Visa International puts into place a new International rate structure with separate rates for standard (paper based) and electronic transactions. The Board also reviewed and approved principles, previously approved by the Visa International Board, for a three tiered service and rate structure for Visa/PLUS international ATM transactions. There will be minimal financial effect on U.S. Members, but it is expected that the plan

P-0682

VISA U.S.A. Inc. Post Office Box 8899, San Francisco, California 94128-8899 (415) 570-3200

Paul Allen

OUTSIDE COUNSEL ONLY - HIGHLY CONFIDENTIAL SUBJECT TO PROTECTIVE ORDER

VU 0025716

November 12, 1993

will produce a service quality improvement in the international ATM program.

COMMERCIAL PRODUCT NON-DUALITY

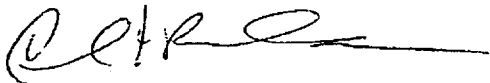
In order to protect the substantial investment by Visa and its Members in the Visa Commercial Card Products (Business, Corporate, and Purchasing), the Board approved non-duality operating principles for these products. Specifically, Visa Issuers of any of these products will not be permitted to issue as well commercial card products of MasterCard International, American Express, or other named, direct brand competitors.

OPERATIONAL MATTERS

The Board adopted Operating Regulations pertaining to the following matters:

- (a) Corporate and Purchasing Cards
- (b) Supermarket Marketing Fee
- (c) Visa Check Card
- (d) VisaNet Point of Sale Fee Changes
- (e) Miscellaneous Visa International Operating Regulations
- (f) Miscellaneous Visa U.S.A. Operating Regulations

Cordially,



Carl F. Pascarella
President and Chief Executive Officer

Attachment

VISA U.S.A. INC. BOARD OF DIRECTORS

Region 1

THOMAS J. KAPPOCK
Vice Chairman
Bank of Hawaii
Honolulu, Hawaii

THOMAS E. PETERSON
Vice Chairman
Consumer Banking Group
Bank of America NT & SA
San Francisco, California

Region 2

EDMUND P. JENSEN
Vice Chairman & Chief
Operating Officer
U.S. Bancorp
Portland, Oregon

Region 3

ROBERT B. PALMER
Chairman
CoreStates First Pennsylvania Bank
Philadelphia, Pennsylvania

Region 4

G. LEE GRIFFIN
Chairman and Chief Executive Officer
Premier Bancorp., Inc.
Baton Rouge, Louisiana

Region 5

RICHARD F. CHORMANN
President and Chief Operating Officer
First of America Bank Corporation
Kalamazoo, Michigan

Region 6

G. PATRICK PHILLIPS
President of Financial Products
NationsBank
Charlotte, North Carolina

November 12, 1993

Region 6
(continued)

JAMES M. WELLS III
President
Crestar Financial Corp.
Richmond, Virginia

Region 7

A. WILLIAM SCHENCK III
Executive Vice President
PNC Bank Corp.
Pittsburgh, Pennsylvania

Region 8

JOHN C. TOLLESON
Chairman & Chief Executive Officer
First USA, Inc.
Dallas, Texas

Region 9

MALCOLM M. ASLIN
President & Chief Operating Officer
United Missouri Bancshares, Inc.
Kansas City, Missouri

WILL F. NICHOLSON, JR.
Chairman of the Board & President
Colorado National Bankshares, Inc.
Denver, Colorado

Region 10

THOMAS P. JOHNSON JR.
Chief Retail Banking Executive
Barnett Banks, Inc.
Jacksonville, Florida

Region 11

THOMAS C. LYNCH
Executive Vice President
The Chase Manhattan Corporation
New York, New York

Region 12

SCOTT P. MARKS JR.
Chairman
FCC National Bank
Chicago, Illinois

MICHAEL R. ZUCCHINI
Vice Chairman
Fleet Financial Group, Inc.
Providence, Rhode Island

At-Large Directors

THOMAS E. BOLAND
Chairman of the Board
Wachovia Bank of Georgia, N.A.
Atlanta, Georgia

F. PHILLIPS GILTNER
President
First National of Nebraska
Omaha, Nebraska

KEITH W. HUGHES
President & Chief Operating Officer
Associates Corporation of North America
Dallas, Texas

RICHARD M. KOVACEVICH
President and Chief Executive Officer
Norwest Corporation
Minneapolis, Minnesota

DONALD L. McWHORTER
President
Banc One Corporation
Columbus, Ohio

H. BURT MELTON
Executive Vice President
Consumer Credit & Bank
Related Services
First Union National Bank of North
Carolina
Charlotte, North Carolina

ROBERT J. MYLOD
Chairman, President & CEO
Michigan National Corporation
Farmington Hills, Michigan

Special At-Large Director

CHARLES T. DOYLE
Chairman & President
Texas Independent Bancshares Inc.
Texas City, Texas

November 12, 1993

Appointee

JAMES L. BAILEY
Executive Vice President
Citicorp/Citibank
New York, New York

Board Advisors

JERRY A. GRUNDHOFER
President & Chief Executive Officer
Star Banc Corp.
Cincinnati, Ohio

ROGER L. PEIRCE
Executive Vice President, Delivery
Systems
Visa International
San Francisco, California

WESLEY C. TALLMAN
Executive Vice President
Marketing and Product Development
Visa U.S.A. and Visa International
San Francisco, California

**President and
Chief Executive Officer
Visa U.S.A.**

CARL F. PASCARELLA
Chief Executive Officer and President
Visa U.S.A. Inc.
San Francisco, California

**President and
Chief Executive Officer
Visa International**

CHARLES T. RUSSELL
Chief Executive Officer and President
Visa International
San Francisco, California